(b) Internal Audit Wing conducts audit of assessments done by the Income Tax department. The norms for selecting the auditable cases have been laid down in Instruction No. 3 of 2007. While preparing the basket of auditable cases for Special Audit Party & Internal Audit Party, it is ensured that at least top 100 cases of the charges are included in the basket. The remaining cases may be a representative mix of cases selected for scrutiny-

(i) under Computer Assisted Scrutiny System;

(ii) based on Annual Information Return inputs;

(iii) by approval of Chief Commissioner of Income Tax; and

(iv) cases of delayed refunds including defaults in granting interest.

The New System has set specific targets to be achieved by the officers conducting audit and also ensures that cases having larger tax implication and complex issues are audited by the senior officers having the required experience to conduct the audit of such cases.

(c) The functioning of Internal Audit is to large extent co-terminus with the C&AG. Only a certain part of total cases are audited by both Internal Audit Wing & C&AG. Internal Audit Wing has its own norms for selecting the cases to be audited, which has been laid down in Instruction No. 3 of 2007 as mentioned in reply to Question No. (b) above. Similarly C&AG has its own norms for selecting the cases to be audited. The overlapping of cases to be audited by Internal Audit Wing & C&AG is only incidental Both, Internal. Audit & C&AG are working simultaneously to cover the maximum number of cases.

Loans to Muslims

2646. SHRI ABDUL WAHAB PEEVEE: Will the Minister of FINANCE be pleased to state:

(a) what is the procedure adopted for granting loans to Muslims under the Minorities Economic Development Scheme through nationalized banks;

(b) whether Government proposes to simplify the procedure especially abolishing the mandatory requirement of furnishing guarantee by Government officials as there are not many Muslims officers in Government; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) There is no separate procedure for granting loans to Muslims. However, Credit facilities to Minority Communities including Muslims is part of Priority Sector Lending of Scheduled Commercial Banks including Nationalized banks. The banks follow guidelines issued by Reserve Bank of India (RBI) from time to time on Priority Sector Lending/Credit Facilities to Minority Communities. There is no mandatory requirement of furnishing guarantee by Government officials for grant of loans to Muslims.